
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
ADMINISTRATION COMMITTEE

April 3, 2008

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE ADMINISTRATION COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Administration Committee held its meeting at the SCAG Offices, Downtown Los Angeles, CA. The meeting was called to order by Ron Loveridge, Chair, City of Riverside. There was a quorum.

Members Present

Burke, Yvonne
Clark, Margaret
Cook, Debbie
Dixon, Richard
Edney, Jon (**Vice Chair**)
Nowatka, Paul
O'Connor, Pam
Ovitt, Gary
Pettis, Greg
Ten, Mike
Washburn, Dennis
Young, Toni

County of Los Angeles
City of Rosemead
City of Huntington Beach
City of Lake Forest
City of El Centro
City of Torrance
City of Santa Monica
County of San Bernardino
City of Cathedral City
City of South Pasadena
City of Calabasas
City of Port Hueneme

Members Not Present

Aldinger, Jim
Baldwin, Harry
Lowenthal, Bonnie
Masiel, Andrew
McCallon, Larry
Parks, Bernard
Roberts, Ron
Wapner, Alan

Manhattan Beach
City of San Gabriel
City of Long Beach
Pechanga Band of Luiseno Mission Indians
City of Highland
City Los Angeles
City of Temecula
City of Ontario

1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE

Hon. Ron Loveridge, Chair, City of Riverside, called the meeting to order at 9:05 a.m.

2.0 PUBLIC COMMENT PERIOD

There were no public comments.

3.0 REVIEW and PRIORITIZE AGENDA ITEMS

No agenda reprioritizations were made.

4.0 CONSENT CALENDAR

4.1 Approval Items

4.1.1 Minutes of March 6, 2008 Meeting

4.1.2 Authorize Executive Director to enter into and Execute an MOU with SANBAG and RCTC for Section 5316/5317 (JARC/New Freedom)

4.1.3 Resolution #08-496-2 Renewing Bank of the West Line of Credit

Hon. Toni Young commented on the \$5,000.00 renewal fee connected with renewing the line of credit, and recommended that staff try to negotiate a lower fee. Wayne Moore, CFO agreed to negotiate the cost prior to concluding the final agreement with the Bank.

4.2 Receive & File

4.2.1 Contracts/Purchase Orders and MOUs between \$5,000 - \$250,000

A motion was made to approve the Consent Calendar. Motion was seconded (Loveridge) and UNANIMOUSLY APPROVED.

5.0 ACTION ITEMS

5.1 Adjustment to FY08 General Fund Budget

Wayne Moore, CFO, provided a brief description of the FY08 General Fund Budget Adjustments. Three accounts were identified that will require adjustments to the budget:

- Certain payroll and bank fees associated with the cost of processing stipends.
- Training budget increases for the Southern California Leadership program.
- An increase in the stipends budget as required for additional meetings.

A motion was made (Young) to approve staff's recommendation. Motion was seconded (Ovitt) and UNANIMOUSLY APPROVED.

5.0 ACTION ITEMS-Continued

5.2 FY 07-08 OWP Budget Amendment 3

Wayne Moore, CFO, provided a brief overview of the OWP's Third Amendment. A Third Amendment is required to add new projects to the FY07-08 Overall Workplan (OWP). The project additions are:

- Harbor Subdivision Analysis
- Los Angeles County Congestion Pricing
- South Bay Route Corridor Study
- Goods Movement Project Management

Mr. Moore also explained that there are required administrative fund allocation revisions included in the Amendment 3. The Amendment will not require an increase to the FY07-08 OWP budget.

Hon. Dennis Washburn asked what would be the outcome of the congestion pricing study.

Mr. Hasan Ikhata, Executive Director explained that both agencies, SCAG and the LACMTA have a common interest in developing congestion pricing strategies elements to bring more funds to the region. SCAG and LACMTA are seeking to partner together to fund this one year initiative.

A motion was made (Young) to approve the FY 07-08 OWP Budget Amendment 3. Motion was seconded (Ovitt) and UNANIMOUSLY APPROVED.

5.3 FY09 Proposed General Fund Budget

Wayne Moore, CFO, summarized the recommendation for the Administration Committee to adopt and forward the proposed FY09 General Fund budget to the Regional Council (RC). SCAG's By-Laws requires that the RC adopt an Association budget (General Fund) at least 30 days prior to the annual meeting. The General Fund supports activities not eligible for grant reimbursement. Most of the General Fund funding comes from member dues, which will amount to \$1,590,419 in FY09.

Hon. Jon Edney commented on the exorbitant cost associated with business operations (i.e., printing, mailings & postage). Mr. Edney recommended that staff look at ways to decrease those operating cost. Mr. Ikhata and Mr. Moore agreed and expressed similar concerns and commented that certain printing related budget items had been reduced by 70%. SCAG is looking into digital alternatives to disseminate information.

Hon. Ron Loveridge commented on the Legislative budget being twice as much for the Federal Lobbyist than for the State Lobbyist. Mr. Ikhata stated that in the new fiscal year, SCAG will have an opportunity to revisit that item and make the required changes.

A motion was made (Edney) to approve the FY09 Proposed General Fund Budget. Motion was seconded (Ovitt) and UNANIMOUSLY APPROVED.

5.0 ACTION ITEMS-Continued

5.4 Harbor Subdivision Alternative Analysis

Recommended Action:

Authorize the Executive Director or his designee to execute in substantial form the MOU with Los Angeles County MTA regarding the Harbor Subdivision Alternatives Analysis.

A motion was made (Young) to approve staff's recommendation. Motion was seconded (Ten) and UNANIMOUSLY APPROVED.

5.5 Congestion Pricing Operating Plan for Los Angeles County

SCAG staff summarized the recommendation to pursue further studies of region-wide congestion pricing strategies, including as part of the LACMTA Congestion Pricing Operating Plan. An execution of the MOU will provide \$500,000 to LACMTA in FY 2007/2008.

Hon. Washburn asked if the analysis would include VMT and other regional pricing strategies.

Mr. Ikhata replied that SCAG's study would provide input on VMT fees and regional strategies. However, he indicated that he was not sure if the LACMTA Plan would include those studies.

Further discussion ensued regarding the controversy that is certain to arrive from the studies. Hon. Washburn recommended staff pursue mediation and other negotiation assistance to resolve the issues in advance.

Ms. Annie Nam, Manager of Transportation Finance & Goods Movement responded to Hon. Washburn's inquiry regarding the stakeholder outreach process. Ms. Nam stated that both the Los Angeles County and SCAG would establish a policy and steering committee to handle the alternative pricing issues.

Hon. Yvonne Burke commented on the reduction of funding for congestion pricing nationwide and that it may no longer be a priority. However, she will accept the \$500,000 cost for the study at this time.

Hon. Margaret Clark expressed concern over the \$500,000 program in light of staff salary cuts at SCAG and opposed staff's recommendation.

A motion was made (Young) to approve staff's recommendation. Motion was seconded (Dixon). Motion passed, with Hon. Clark in opposition.

5.6 Central County Corridor
Major Investment Study
(Philip Law, SCAG)

Recommended Action:

Authorize the Executive Director or his designee to execute in substantial form the agreement with OCTA regarding the Central County Corridor Major Investment Study.

A motion was made (Dixon) to approve staff's recommendation. Motion was seconded (Washburn) and UNANIMOUSLY APPROVED.

5.7 Amendments Greater than \$75,000 (Aggregate Value)

Recommended Action:

Approve Contracts: Fregonese Calthorpe Associates; Cambridge Systematics.

A motion was made (Young) to approve staff's recommendation. Motion was seconded (Loveridge) and UNANIMOUSLY APPROVED.

5.8 Request for Payment for Additional Stipends

Hon. Gary Ovitt gave a brief overview of his authority to approve payment of additional stipends, as well as the need to obtain Regional Council approval for stipend requests above nine per month. At Hon. Ovitt's request, several committee members provided comments concerning Hon. Alan Wapner's request for payment of additional stipends for the month of February 2008.

Hon. Dixon commented on Hon. Wapner's commitment and service to the SCAG region and acting as SCAG's ambassador. Hon. Dixon stated that it is appropriate to approve the additional stipends request.

Hon. Young commented that five out of the eligible six (6) stipends were paid; however, there are certain events listed that are not eligible for stipends. Hon. Young recommended that President, Gary Ovitt authorize and approve the remaining three stipends, making it a total of eight (8) for the month of February 2008.

Hon. Ovitt agreed to exercise his authority and approve the remaining three (3) stipends.

A revised motion was made (Young) to approve the stipends requests for RC Member Wapner up to the President's authority: of two (2) additional per diem stipends, for a total of eight stipends. Motion was seconded (Clark) and UNANIMOUSLY APPROVED.

SUBCOMMITTEE REPORTS

8.0

8.1 District Evaluations Process and Recommendations

Hon. Young, as Vice Chair of the District Evaluations Subcommittee, gave the report. She reported that as a result of a five-month process, the Subcommittee reviewed the current configuration of the RC Districts, and how it was the goal to have the districts within a population range of 200,000 to 300,000 people as well as maintain a community of interest. Based upon the approach, the Subcommittee was recommending the establishment of two new districts -- one in Riverside County (District # 66) and one in Los Angeles County (District #67) as well as recommending changes to the current composition of RC districts. One of the changes involved moving Newport Beach from District #14 to District #15. This would mean that Irvine would be the only city in District #14. Hon. Young noted that the Subcommittee felt that this was in the best interest of the agency, and would lead to representation on both District #14 and District # 15 since the cities in #15 are currently not SCAG members. She thanked SCAG staff and Joann Africa, Deputy Legal Counsel in particular. Ms. Africa, in turn, thanked the Subcommittee as well as the subregional organizations for their participation and input, and noted that under the SCAG process, this district evaluation process occurs every 5 years. Hon. Edney further noted that with the additional two RC Districts, the Regional Council is now at the maximum number allowed under the Bylaws, and that in all likelihood, the next time this process occurs, SCAG will need to increase the number of districts and /or increasing the population range. Being that there was no objection, the Administration Committee thereafter unanimously supported the recommendations of the District Evaluations Subcommittee as detailed in the report.

10.0 CONTRACTS SUBCOMMITTEE REPORT

Hon. Young member of the Contracts Subcommittee reported on the issues that the Contract Subcommittee plan to discuss at the next meeting on April 16, 2008. Hon. Young highlighted the following issues:

- The practice of including the budget in the Request for Proposal (RFP), which leads to bidders to bid to the budget. The Subcommittee will look at an alternative.

- The use of Master Service Agreements (MSA's) which allows SCAG to piggy back on the state or local entity's procurement without further competition. The Subcommittee will determine if there should be a ceiling on the use of MSA's.
- The 30% rule in Section 1.4.4 of the SCAG Contract Manual. This allows contracts to be increased up to 30% of the contract's original amount. The Subcommittee will clarify if the larger dollar contracts should have a different percentage increase ceiling.

11.0 INFORMATION ITEMS

11.1 FY 08-09 Comprehensive Budget

Hasan Ikhata, Executive Director stated that the budget is now balanced. Mr. Ikhata reported on the 26 staff reductions that was necessary to balance the budget and pointed out that the reductions were based on economic reasons, not performance. Mr. Ikhata referred members to Debbie Dillon, HR Director if they wished to receive a copy and keep confidential the list of impacted employees. Mr. Ikhata mentioned the three-year business plan, and promised to seek other fund resources to ensure that the budget remain balanced in the upcoming year.

11.2 CFO Monthly Financial Report

Wayne Moore, CFO highlighted two items from the CFO report:

- Dues Assessment was computed for FY09. Three new member cities have been added: Chino Hills, Mission Viejo and San Jacinto and the San Bernardino Council of Governments. The total dues assessed is \$1,590,419, 4.2% higher than the FY 08 amount of \$1,444,366. The dues assessment report will be submitted to the General Assembly in May as part of the General Fund budget for FY09.
- SCAG's Irrevocable Trust account at CalPERS was opened and activated. SCAG made its first deposit on behalf of the retiree medical liability.

12.0 STAFF REPORT

There was no staff report given.

13.0 FUTURE AGENDA ITEMS

None made.

14.0 ANNOUNCEMENTS

Hon. Gary Ovitt expressed his gratitude for the hospitality afforded him from the Orange County COG members and the Imperial Valley Association of Governments members, during his State of the Region tour. Hon. Ovitt stated that he plans to visit more of the member cities before the end of his term.

15.0 ADJOURNMENT

The next meeting of the Administration Committee
will be held on Thursday, May 8, 2008 at the Ontario Convention Center.

Minutes Approved by:



Wayne Moore, Chief Financial Officer
Staff to the Administration Committee

ADMINISTRATION COMMITTEE ATTENDANCE REPORT

Member (including Ex-Officio) Last Name, First Name		Representing	X = County Represented						X = Attended				= No Meeting					NM = New Member			
			IC	LA	OC	RC	SB	VC	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Aldinger, Jim*		Manhattan Beach		X						X	X										
Baldwin, Harry*		San Gabriel		X						X	X										
Burke, Yvonne*		Los Angeles County		X						X	X										
Clark, Margaret*		Rosemead		X						X	X										
Cook, Debbie*		Huntington Beach			X					X	X										
Dixon, Richard*		Lake Forest			X					X	X										
Edney, Jon* Vice Chair		El Centro	X							X	X										
Loveridge, Ronald, Chair*		Riverside					X			X											
Lowenthal, Bonnie		Long Beach		X																	
Masiel, Andrew*		T.A.S.I.N.						X													
McCallon, Larry*		Highland						X			X										
Nowatka, Paul*		Torrance		X						X	X										
O'Connor, Pam*		Santa Monica		X						X											
Ovitt, Gary*		San Bernardino County						X			X	X									
Parks, Bernard*		Los Angeles		X																	
Pettis, Gregory*		Cathedral City					X			X			X								
Roberts, Ron*		Temecula					X				X										
Ten, Mike*		South Pasadena								X	X										
Wapner, Alan*		Ontario						X		X	X										
Washburn, Dennis*		Calabasas		X						X	X										
Young, Toni *		Port Hueneme								X	X										
Totals			1	11	1	3	4	1													

* Regional Council Member